

IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

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S.R., by and through his next friend,  
Allison Ware; THEODORE SMITH, by and  
through his next friend, Ashley Maddison;  
S.H., by and through her next friend, Julia  
Shmilovich; M.T., by and through his next  
friend, Ashley Maddison; N.C., by and  
through his next friend, Sue Walther;  
CHRYSTAL STEWARD, by and through her  
next friend, Deborah Fegan, on behalf of  
themselves and all others similarly situated,

Plaintiffs,

v.

PENNSYLVANIA DEPARTMENT OF  
HUMAN SERVICES and VALERIE A.  
ARKOOSH, in her capacity as  
Secretary of the Department of  
Human Services,

Defendants.

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No. 1:17-cv-02332-JKM

Class Action

**JOINT STATUS REPORT**

The Parties, through their counsel, submit this Joint Status Report pursuant to the Court's December 10, 2024 Order.

1. On December 18, 2017, Plaintiffs, six Pennsylvania youth who were adjudicated dependent and have mental health disabilities, filed a Complaint on behalf of themselves and a class of similarly situated youth. (Doc. 1).

2. On April 3, 2018, the Court certified this case to proceed as a class action pursuant to Rule 23(b)(2) on behalf of the following: "All Pennsylvania children and youth under age 21 who, now or in the future, are adjudicated dependent and have diagnosed mental health disabilities." (Doc. 22).

3. Plaintiffs' Complaint alleges that Defendants have failed to adequately serve class members through Defendants' mental health and child welfare systems in violation of the federal Medical Assistance statute, the Americans with Disabilities Act, and the Rehabilitation Act of 1973. (Doc. 1).

4. Following years of extensive fact discovery and some preliminary settlement discussions, Defendants filed an Unopposed Motion to Stay Discovery, which this Court granted on March 3, 2022, to provide the Parties with an opportunity to negotiate a comprehensive settlement.

5. The issues the Parties are attempting to settle in this case are undoubtedly complex.

6. Beginning in August 2023, the Parties began meeting monthly, sometimes bimonthly, to negotiate the terms of a settlement agreement that would resolve Plaintiffs' claims. These settlement discussions included the Parties' attorneys and, at times, Plaintiffs' experts, and Defendants' representatives.

7. Although negotiations briefly stalled in the spring of 2024, counsel for both Parties and Defendants' representatives held all-day, in-person meetings in Harrisburg on September 30, 2024 and October 1, 2024 to discuss the major outstanding disputed substantive issues and revisions to the draft settlement agreement. We were able to achieve significant breakthroughs at those meetings. Since that time, counsel for the Parties have met three times – most recently on December 19, 2024. The Parties have a meeting scheduled for January 24, 2025 to discuss the few remaining outstanding substantive issues.

8. Despite having productive discussions at recent meetings, the Parties have not reached a final agreement on the substantive issues in the agreement nor on the settlement agreement's provision for reimbursement of attorneys' fees, litigation expenses, and costs.

9. Given the extensive amount of time that has passed since the Parties began discussing a settlement agreement and their inability to finalize an agreement within timelines previously set, the Parties agree that should they be unable to reach final settlement terms by February 15, 2025, the case should be referred to a Magistrate Judge to schedule a settlement conference in an effort to reach final settlement terms.

Respectfully submitted,

Date: January 17, 2025

/s/ Jeni Hergenreder

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/s/ Matthew J. McLees

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*Counsel for Defendant*

**CERTIFICATE OF SERVICE**

I, Jeni Hergenreder, hereby certify that a true and correct copy of the Parties' Joint Status Report was filed with the Court's ECF system on January 17, 2025 and is available for viewing and downloading from the ECF system by the following counsel who consented to electronic service:

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/s/ Jeni Hergenreder

Jeni Hergenreder